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August 21, 2006

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VIA HAND-DELIVERY

The Honorable Charles L.A. Terreni
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

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SC PUBLIC SERVICE
COMMISSION

RE: Application of Tega Cay Water Service, Inc.
Docket No. 2006-97-WS

Dear Mr. Terreni:

I am writing to you in reference to the public hearing held in Fort Mill, South Carolina on July 11, 2006, by the Commission in the above referenced matter. As you are aware, at the commencement of the hearing, Tega Cay Water Service, Inc. ("TCWS") made a continuing objection to testimony consisting of unsubstantiated complaints regarding customer service, quality of service, or customer relations issues. The basis of this objection was that the receipt and reliance on such testimony would deny the applicant due process of law, permits complaint procedures established under law and Commission Regulations to be circumvented and is not a proper basis to determine just and reasonable rates. In responding to the objection, the Office of Regulatory Staff ("ORS") requested TCWS to submit a letter to the Commission setting forth the specific portions of the testimony to which the Company objects, the reason for the company's objection, and the identity of the speaker.

In accordance with ORS's request, TCWS herein sets forth the portions of the testimony to which it objects:

Witness Kay Conner

Page 9, line 20 through Page 10, line 1
Page 10, lines 7-12

Continued . . .

Witness Stephen Johnson

Page 11, line 7 through Page 14, line 10

Witness Mary Jane Myers

Page 15, line 20 through Page 16, line 12
Page 16, line 22 through Page 17, line 11
Page 17, line 19 through Page 18, line 14
Page 18, line 20 through Page 19, line 1

Witness Donna Britsch

Page 20, lines 11 -17
Page 20, lines 20-24
Page 23, lines 7-8

Witness Bernard Klena

Page 24, lines 7-17

Witness Linda Stevenson

Page 25, line 24 through Page 26, line 5
Page 26, lines 8-15
Page 26, line 23 through Page 27, line 4
Page 27, lines 9-14
Page 27, lines 18-20

Witness Alina Howington

Page 30, lines 13-23
Page 33, lines 6-12

Witness David Wolfe

Page 31, lines 12-15

Witness Tom Fogerty

Page 35, lines 9-10
Page 36, lines 6-9

The Company also objects to the following Hearing Exhibits filed with the Commission purporting to support or corroborate the portions of testimony to which TCWS objects.

Continued . . .

Hearing Exhibit #1 sponsored by Witness Stephen Johnson

Hearing Exhibit #2 sponsored by Witness Mary Jane Myers

Hearing Exhibit #3 sponsored by Witness Linda Stevenson

Hearing Exhibit #4 sponsored by Witness Alina Howington

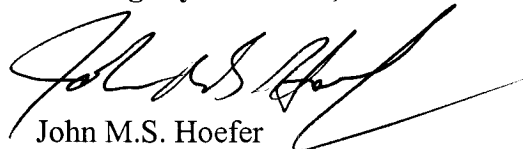
Hearing Exhibit #5 sponsored by Witness David Wolfe

The objection to the above referenced portions of testimony and the related exhibits is generally based upon TCWS's assertion that these statements relate to unsubstantiated complaints. In most or all cases, the customers' testimony does not reflect the timeframe of the issues complained of, whether the customers complained to the company, or whether the customers filed a formal complaint with the Commission. Additionally, TCWS has approximately 1800 water customers and 1700 wastewater customers. Of these customers, only 9 customers, or 0.51%, testified before the Commission. This level of customer testimony is de minimis and immaterial and is, therefore, not an appropriate reflection of or substantial evidence regarding the Company's services.

If you need any additional information, please do not hesitate to contact me. With best regards, I am,

Sincerely,

Willoughby & Hoefer, P.A.



John M.S. Hoefer

JMSH/amw

cc: Wendy B. Cartledge, Esquire
Jeffrey M. Nelson, Esquire
Mr. Bruce T. Haas
Mr. Steven M. Lubertozzi
Ms. Lena Sunardio